



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

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DAVID E. JANSSEN  
Chief Administrative Officer

April 13, 2007

To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne B. Burke  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: David E. Janssen  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

**SACRAMENTO UPDATE**

**State Budget**

**In-Home Supportive Services (IHSS).** Assembly Budget Subcommittee No. 1 on Health and Human Services held a hearing on the IHSS program on April 11, 2007 and rejected the Governor's proposal to freeze State participation in the non-federal share of IHSS wages and benefits. The Subcommittee also voted to increase State participation in the non-federal share of IHSS wages and benefits to \$12.10 per hour by a vote of 4 to 2.

**Health Care Workforce Development Program (HCWDP).** Senate Budget Subcommittee No. 3 on Health and Human Services, Labor and Veterans Affairs addressed the Employment Development Department (EDD) budget on April 12, 2007. Among the EDD items was County-supported Item 7100-101-0001, which appropriates \$5.7 million for the County's HCWDP. These local assistance funds provide the remaining installment of the State's share of funding for the HCWDP which was agreed to as part of the Section 1115 Medicaid Waiver between the State and Federal government in 2000.

The HCWDP was designed to address the restructuring of the County's hospital and healthcare delivery system pursuant to the Section 1115 Waiver, prepare County healthcare employees for emerging occupations, enhance employee skills, help stabilize the Los Angeles County Department of Health Services, and provide workers, in case of future downsizing, with transferable skills.

The Subcommittee did not raise any issue with the \$5.7 million for the HCWDP, and for the moment, their recommendation is to "approve as budgeted." However, Subcommittee Chair, Senator Elaine Alquist, did serve notice that essentially all items would remain open for possible further action until after the Governor's May Revision.

### **Pursuit of County Position on Legislation**

**AB 308 (Galgiani)**, as amended April 10, 2007, would require the State Department of Mental Health, in consultation with the State Department of Health Care Services, to adopt regulations to provide prompt reimbursement to counties for the provision of services provided under the Federally-mandated Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program. This bill would appropriate \$243 million to reimburse counties for unpaid EPSDT claims for FY 2003-04, FY 2004-05, and FY 2006-07.

As reported in our April 4, 2007 Sacramento Update, the County is owed an estimated \$170.2 million for approved prior year claims (\$23.6 million for FY 2004-05 and \$146.6 million for FY 2005-06), and it is anticipated that this amount could be higher once the FY 2006-07 books are closed. A Subsequent Sacramento Update reported that, according to the State Director of Mental Health, the County will receive \$74 million in Federal EPSDT payments within the next two weeks. Receipt of these funds will reduce the amount owed to the County for prior years from \$170.2 million to \$96.2 million. Nevertheless, consistent with Board-approved policy to support full and timely funding of Federally-mandated mental health services, **our Sacramento advocates will support AB 308**. There is no registered support or opposition at this time. This bill is scheduled for a hearing before the Assembly Health Committee on Tuesday, April 17, 2007.

**SB 1001 (Perata)**, as introduced on February 23, 2007, would reduce the membership of regional water quality control boards from nine to five persons and completely restructure the composition of those boards, eliminating the members representing county and municipal government.

Existing law establishes nine regional water quality boards with nine members each. Those members are required to be associated with the following disciplines: 1) water supply, conservation, and production; 2) irrigated agriculture; 3) industrial water use; 4) municipal government; 5) county government; 6) a non-governmental recreation, fish, or wildlife organization; and 7) three persons not associated with the former categories, two of whom have special competence in water quality problems.

SB 1001 would change the representation on the regional water quality boards to the following: 1) one person who holds at least a master's degree in biological science, such as biology or ecology, with preferred experience in aquatic biology or ecology; 2) one person who has experience with public sector finance, with preferred experience

with water quality or watershed improvement projects; 3) one person who holds at least a master's degree in urban planning or a closely related discipline, with preferred experience with programs for achieving water quality objectives; 4) one person who holds at least a master's degree in public health, with preferred expertise concerning the health consequences of impaired water quality; and 5) one person who has experience representing an environmental justice community, with preferred knowledge about the impact of water quality on low-income communities. If an appointment cannot be made for any of those categories, a person who has at least ten years of experience in improving water quality would be appointed instead.

One of the nine regional water quality boards is designated for the Los Angeles region. SB 1001 would eliminate the members representing county and municipal government on that board.

The Department of Public Works (DPW) indicates that the reduction in regional water quality board membership and restructured make-up would result in a decision-making body that does not adequately reflect the regions they serve. DPW is concerned that the boards would tend to be responsive only to a narrow segment of the community within their regions. They would not contain members with practical expertise in successful compliance with regulations and permit conditions the boards set. The Department of Public Health (DPH) indicates that although SB 1001 seems to accomplish Board approved policy to seek the inclusion of a member with a background in public health on the water board, DPH is concerned that by reducing the number of board members, the bill may substantially limit the number of water board members who have practical experience with water quality protection.

Because a reduction in representation for Los Angeles County may lead to unfavorable important water quality and supply decisions that directly affect DPW and the County's waterworks districts, DPW and DPH recommend that the County oppose SB 1001 unless amended to retain the current spectrum represented on the boards, including county representation, and we concur. Consistent with County policy to oppose measures which would infringe upon the Board of Supervisors' local decision making authority, **our Sacramento advocates will oppose SB 1001.**

SB 1001 is sponsored by the author. There is no registered support or opposition. The bill is scheduled for a hearing on April 16, 2007 in the Senate Environmental Quality Committee.

#### **Pursuit of County Position on a Budget Item – LEADER System**

The FY 2007-08 Governor's Proposed Budget includes \$2.0 million for the planning of the replacement of the Los Angeles Eligibility Automated Determination Evaluation and Reporting computer system (LEADER) as part of the State Automated Welfare System. These automated systems support the delivery of social services programs that include

CalWORKs, Food Stamps and Medi-Cal. This augmentation will help the County Department of Public Social Services to achieve its goal to award a contract for a new system in June 2008, and is consistent with existing County policy to support funding for ongoing procurement, development and maintenance activities for the County's LEADER system. Therefore, **our Sacramento advocates will support the appropriation in the Governor's Budget for this item.**

### **Status of County-Advocacy Bills**

The language from **County-sponsored AB 1391 (Brownley)** was amended into **AB 800 (Lieu, Brownley, Krekorian)** on April 9, 2007. Therefore, AB 800 is now the County-sponsored bill to address the issue of sewage spills.

As amended, AB 800 would: 1) require that the local health officer be immediately notified in the event of a sewage spill; 2) permit the imposition of civil fines on persons who fail to immediately notify the local public health officer when a sewage spill occurs; and 3) require one appointee to the regional water quality control board to have special competence in the area of public health.

Our Sacramento advocates have learned that the Chair of the Assembly Committee on Environmental Safety and Toxic Materials, Jared Huffman (D., Marin), will recommend that the provision adding a public health member to the regional water boards be stricken from the bill. This recommendation is based on a concern that a public health member may be appointed under current law, and that our language requires that a public health member be appointed to regional boards throughout the State, whether one is needed or desired. The Chair indicated that he prefers a comprehensive approach to restructuring the composition of the regional water boards as contained in SB 1001 (Perata), which would reduce the membership of regional water boards from nine to five persons and eliminate the members representing county and municipal government. AB 800 is set for hearing in the Assembly Committee on Environmental Safety and Toxic Materials on Tuesday, April 17, 2007.

We will continue to keep you advised.

DEJ:GK  
DW:MR:MS:DS:acn

c: All Department Heads  
Legislative Strategist  
Local 660  
Coalition of County Unions  
California Contract Cities Association  
Independent Cities Association